

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0063-01
Bill No.: SB 114
Subject: Health Care; Health Dept.; Insurance Dept.
Type: Original
Date: January 9, 2003

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
Insurance Dedicated	\$0 to \$1,000	\$0	\$0
Total Estimated Net Effect on <u>All</u> State Funds	\$0 to \$1,000	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 5 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Social Services** and **Missouri Department of Conservation** assume the proposal will have no fiscal impact on their organization.

Officials from the **Missouri Consolidated Health Care Plan (HCP)** stated HCP's contracts do not allow for individual underwriting. Therefore, this proposal does not fiscally impact HCP.

Officials from the **Department of Health and Senior Services (DOH)** assume this proposal would not be expected to significantly impact the operations of the DOH. If the proposal were to substantially impact the DOH programs, then the Department would request funding through the legislative process.

Officials from the **Department of Public Safety - Missouri Highway Patrol (MHP)** defer to the Department of Transportation for response regarding the fiscal impact of this proposal on the MHP.

Officials from the **Department of Transportation (DOT)** stated because the Highway and Patrol Medical and Life Insurance Plans do not determine eligibility based on genetic information, the first item of the proposal will have no fiscal impact on the Medical and Life Insurance Plans. The second item pertains to employer's use of genetic information and

therefore, will have no impact to the Highway and

ASSUMPTION (continued)

Patrol Medical and Life Insurance Plans. Assuming the Missouri Highway Transportation Commission (MHTC)/DOT employees will never violate the confidentiality of an individual's medical information, the last item will also have no fiscal impact to MHTC or the Highway and Patrol Medical and Life Insurance Plans. However, if an employee error occurs, DOT may incur additional expenses/liabilities.

Officials from the **Department of Insurance** stated insurers and HMOs would be required to amend their policies to comply with the proposal if their current policies contain language which conflict with the mandates of this proposal. Policy amendments must be submitted to the department along with a \$50 filing fee. The department estimates that the number of health carriers who would need to modify their policies would be small and a range of \$0 to \$1,000 in revenue is projected. Filing fees are deposited to the Insurance Dedicated Fund.

Additional staff and expenses are not being requested with this single proposal, but if multiple proposals pass during the legislative session which require policy form amendments and reviews, the department will need additional staff to handle the increase in the workload.

This proposal may result in an increase in Total State Revenue.

<u>FISCAL IMPACT - State Government</u>	FY 2004 (10 Mo.)	FY 2005	FY 2006
INSURANCE DEDICATED FUND			
<u>Income - Department of Insurance</u>			
Policy form fees	<u>\$0 to \$1,000</u>	<u>\$0</u>	<u>\$0</u>
ESTIMATED NET EFFECT ON INSURANCE DEDICATED FUND	<u>\$0 to \$1,000</u>	<u>\$0</u>	<u>\$0</u>
<u>FISCAL IMPACT - Local Government</u>	FY 2004 (10 Mo.)	FY 2005	FY 2006
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

Small businesses which are genetic testing laboratories could be affected as a result of a reduction in the amount of genetic testing performed and by the civil liability provisions of this proposal. The estimated impact is unknown.

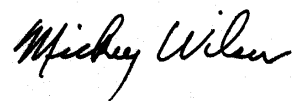
DESCRIPTION

This proposal broadens the definition of "genetic information" and "genetic testing". Under this proposal, no insurer may deny coverage to an individual or impose different premium rates on the basis of the individual's genetic information. This proposal applies to applications for coverage made on or after August 28, 2002. Under this proposal, an employer may not obtain genetic information of an employee or prospective employee nor shall an employer require the collection of a DNA sample of an employee or prospective employee. This proposal also broadens the scope of relief for a person harmed by genetic testing to include civil damages.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Transportation
Department of Health and Senior Services
Department of Social Services
Department of Public Safety - Missouri Highway Patrol
Missouri Consolidated Health Care Plan
Department of Insurance
Missouri Department of Conservation



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